Elements of a Lake Michigan Attainment Demonstration

Working Proposal toward a Multi-State
Attainment Agreement including WI/IL/IN
sufficient for approvable SIPs

Key Regional Considerations

- NOx & VOC control targets appropriate to scale of contributing emissions & AQ impact
- Control effort focused on 1 Hr standard but sensitive to broader ozone health problem
- Sufficient flexibility early in SIP to incorporate current state control commitments
- Agreement now on mid-course review approach and potential implications
- Attempt to preclude need for 126 petitions
- Some consideration of cost efficiencies & regional investment/system impact equity

Core Approach under Discussion

- Regional NOx control focus
- Additional local VOC controls as effective & feasible (nonattainment & direct contributing areas)
- Staged control effort starting 2003 with a solid first step - attainment by 2007
- Default actions until attainment reached
- Flexibility or "opener" at least once before 2007 to adjust default actions
- Objective => Approvable 12/2000 SIP

Proposed Initial Control Effort - 2003

- Rough NOx Budgets on Statewide Basis
 - agreed utility [EGU] mmbtu growth through 2007 supports rate-based rules where desired
 - allows states to address in-state trading issues
 - allows states to geographically focus in-state control effort geographically
 - allows states to spread control effort across sectors
- 2003 NOx Budgets for WI/IL/IN @ 0.25 EGU avg.
 - includes IPM growth to 2007
- 2003 "Real" Industrial Source NOx Reduction
 - similar target reduction level to SIP Call (~50% from 1995)
 - flexibility to address sector with state-preferred approach

Initial Control Effort - 2003 considerations

- Incremental NA & contributing area VOC controls done for attainment can be sufficient for 2002 Rate-of-Progress (assumes some NOx substitution)
- 2003 NOx control level is sufficient to guarantee
 Rate-of-Progress for 2003-2007
 - flexibility to geographically focus control effort in-state per existing guidance
 - retain flexibility to spread control effort across sectors
- NOx control for new sources needs to be addressed regionally

Follow-up SIP Elements 2004 -2007

Proposed Approach - AQ-based Trigger

Focused on a late 2004 decision addressing 1996 ozone season compliance:

- 0.20 EGU if Design Value = 124-127 ppb
- 0.15 EGU if Design Value => 128 ppb
- Alternate limit possible if necessary for 8-hour ozone attainment, PM-fine attainment or Regional Haze SIPs

What Interstate Agreement between IL/IN/WI Does & Doesn't (Will or Won't) Represent

- Crafts a feasible & approvable glide-path to 1-hour attainment balancing NOx & VOC control and regional responsibilities
- Establishes state "Budgets" for NOx reduction & clear targets for VOC control efforts
- Allows state to optimize control approach to state-specific needs and issues
- Crafts "Conditional" AND "Certain" NOx control levels & deadlines for EGU planning
- Does account for early year NOx control commitments by MI, MO, KY and TN
- Does NOT meet NOx SIP or NOx FIP Budgets
- Does NOT trigger NOx allocations in 1999 Budget Bill
- Does NOT address 8-hour, PM2.5 or Haze Plans
 O3-Feb-00

Major Dialogue/Concern Elements

- remaining in Spring 2000
- Clear Objective => Approvable 12/2000 SIP
- Final details on Attainment Test "Passage"
- Scope of "Reasonable"/"Feasible" VOC reductions in greater Metro areas & surroundings
- Definition of committed/default actions sufficient to ensure timely attainment
- Scope of pre-2007 "Opener" to adjust SIPs
 - How does this fit with 2003 Commitments
- Various Trading, Growth, New Source Issues